

**LEASE MODIFICATION****LEASE # 28919****0501043****SGM 677 PAGE 259**

**THIS AGREEMENT**, Made and entered into this **19th** day of **February, 2008**, by and between **Elisa S. Sobutka, a married woman dealing in her sole and separate property**, whose address is **411 West Brentwood Avenue, Moundsville, WV 26041**, parties of the first part, hereinafter called "Lessors", and **CHESAPEAKE APPALACHIA, L.L.C.**, an Oklahoma limited liability company, the surviving entity of the merger with Columbia Natural Resources, LLC (formerly known as Columbia Natural Resources, Inc.) of 900 Pennsylvania Avenue, Charleston, West Virginia 25302, party of the second part, hereinafter called "Sublessee" as acknowledged and agreed by Columbia Gas Transmission Corporation, hereinafter called "Sublessor";

**WITNESSETH:**

**THAT WHEREAS**, by agreement dated January 28, 1960, Austie Robinson, et al granted to The Manufacturers Light and Heat Company, predecessor in title to Sublessor, as lessee thereunder, an oil and gas lease covering a tract of land containing 100.00 acres, more or less, situate in Meade District, Marshall County, West Virginia, and recorded in the Clerk of the County Commission in Book 342 at Page 47; and

~~**WHEREAS**, said agreement dated \_\_\_\_\_, was modified by agreement dated \_\_\_\_\_ by \_\_\_\_\_ and \_\_\_\_\_, predecessor in title to Columbia Gas Transmission Corporation, to provide for the production and storage of natural gas, and recorded in the Clerk of the County Commission of \_\_\_\_\_ County in Book \_\_\_\_\_ at Page \_\_\_\_\_, hereinafter the "Lease" as modified; and~~

**WHEREAS**, by sublease agreement dated September 2, 2004 and recorded in the Offices of the Clerks of the County Commissions of Marshall and Wetzel Counties, West Virginia in Deed Book 642, at page 281 and Book 84-A, at page 129 respectively, Columbia Gas Transmission Corporation granted to Columbia Natural Resources, LLC (predecessor in title to Chesapeake Appalachia, L.L.C.), all rights necessary for the PRODUCTION OF OIL AND GAS in all formations EXCEPT the interval from 250 feet above the top of the Greenbrier Limestone (inclusive of all Maxon sands) to 50 feet below the base of the Pocono Big Injun formation being reserved or operated for storage, hereinafter the "Sublease" and which Sublease has been modified and amended by that certain agreement dated June 1, 2007, and effective as stated therein (the "Sublease Agreement");

**WHEREAS**, Lessors are now the owners of the oil and gas rights underlying the land covered by said Lease that is situate in Meade District, Marshall County, West Virginia; and

**WHEREAS**, Lessors and Sublessee, for their mutual benefit, with the consent of Sublessor, desire to amend and modify said Lease agreement in order to facilitate the formation of drilling units.

**NOW THEREFORE**, in consideration of the premises and the sum of One Dollar (\$1.00) paid by the Sublessee to Lessors, the receipt of which is hereby acknowledged, and of the covenants hereinafter contained, Lessors and Sublessee hereby supplement and modify said Lease as follows, to-wit:

**DELAY IN MARKETING:** In the event that Sublessee does not market producible gas, oil or their constituents from the Leasehold, or lands pooled/unitized therewith, Sublessee may continue to pay Delay Rental at the rate of Five Dollars (\$5.00) per acre annually until such time as marketing is established, or until the end of the Sublease term, as it relates to the acreage described herein, if marketing is not established by that time.

**UNITIZATION:** Lessors grant Sublessee the right to pool, unitize, or combine all or any part of the Leasehold with any other land, leased or unleased, whether owned by Sublessee or others, to create drilling or production units either by contract right or pursuant to governmental authorization. In the event of the unitization of the whole or any part of the Leasehold, Sublessee shall, either before or after the completion of a well, record a copy of its unit operation designation in the county in which the Leasehold is located. Sublessee is granted the right to change the size, shape, and conditions of operation of any unit created, without the consent of Lessors. As to such a unit, Lessors agree to accept and receive out of the production or the proceeds from the production of such unit, such proportional share of the royalty from each unit well as the number of acres in the Leasehold which may be included from time to time in the unit bears to the total number of acres in the unit. Otherwise, the drilling, operations for drilling or any operations in preparation for drilling, or any production from a well on such a unit shall have the same effect upon the terms of this Lease, as amended and modified hereby, as if the operations or well were on this Leasehold itself, ~~except for the FREE GAS clause, of which the Lessor acknowledges is hereby expressly released and terminated by this Lease Modification.~~ *EM*

**SHUT-IN:** In the event that production of oil, gas, or their constituents is interrupted and not marketed for a period of six months, and there is no producing well on the Leasehold, or lands pooled/unitized therewith, Sublessee may thereafter, as Royalty for constructive

production, pay a Shut-in Royalty equal in amount and frequency to the Delay Rental until such time as production is re-established and said payment shall maintain the above-referenced lease and modification in full force and effect to the same extent as payment of Royalty. During Shut-in, Sublessee shall have the right to rework, stimulate, or deepen any well on the Leasehold or drill a new well on the Leasehold in an effort to re-establish production, whether from an original producing formation or from a different formation. In the event that the production from the only producing well on the Leasehold is interrupted for a period of less than six months, the above-referenced Lease and Modification shall remain in full force and effect without payment of Royalty or Shut-in Royalty.

SUBLESSEE shall have the right to perform geophysical studies through the use of seismic research and other means and methods not restricted to current technology.

LESSOR ratifies the aforesaid Lease dated January 28, 1960 and ~~modification agreement dated \_\_\_\_\_~~, as hereby amended and modified, and acknowledges that it is a valid and subsisting Lease and shall remain in full force and effect according to the terms and tenor thereof unless otherwise specifically amended hereby.

This agreement extends to and is binding upon the parties hereto, their respective heirs, successors, administrators, executors and assigns.

**See Addendum attached hereto and by this reference made a part hereof.**

**WITNESS** the following signatures and seals all as of the day and year above first written.

JAN PEST  
MARSHALL County 10:25:26 AM  
Instrument No 1264840  
Date Recorded 02/27/2009  
Document Type O&G  
Book-Page 677-259  
Recording Fee \$5.00  
Additional \$6.00

*Elisa S. Sobutka*

**Elisa S. Sobutka**

**COLUMBIA GAS TRANSMISSION CORPORATION**

By: *Sheree L. Parks Downey*

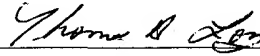
Its **Sheree L. Parks Downey**  
Director, Asset Management

## ACKNOWLEDGMENT

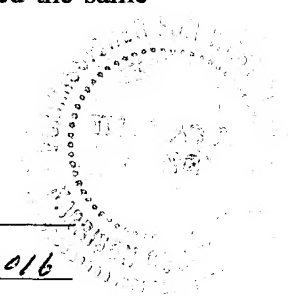
STATE OF WEST VIRGINIACOUNTY OF MARSHALL, to-wit:

On this the 19<sup>th</sup> of February, 2008, before me, Thomas A. Long, a Notary Public, came **Elisa S. Sobutka, a married woman dealing in her sole and separate property**, to me known (or to be satisfactorily proven) to be the individual(s) described in, and who executed the foregoing instrument, and acknowledged that they executed the same for the purpose therein contained.

In witness thereof, I hereto set my hand and official seal.



My commission expires on: 9-11-2016



## ACKNOWLEDGMENT

STATE OF WEST VIRGINIA

}  
} ss.  
}

COUNTY OF KANAWHA

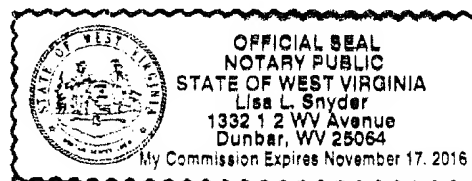
On the 15 day of September, in the year 2008, before me, the undersigned, a Notary Public in and for said State, personally appeared Sheree Parks Downey personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.



Notary Public

My commission expires 11-17-2016

This instrument was prepared by  
Chesapeake Appalachia, L.L.C.  
900 Pennsylvania Avenue  
Charleston, WV 25302



## ADDENDUM

This Addendum is attached to and made a part of that certain Lease Modification dated February 19<sup>th</sup>, 2008, by and between Elisa S. Sobutka, a married woman dealing in her sole and separate property, as Lessor, and **CHESAPEAKE APPALACHIA, L.L.C.**, as Sublessee. If any of the following provisions conflict with or are inconsistent with any of the printed provisions or terms of this Lease Modification, the following provisions shall control.

1. If, and only if, Lessor is entitled to receive free gas, whether by virtue of the ownership of the surface of the leased premises and either all the oil and gas underlying the same, an undivided interest in the oil and gas underlying the same, or the express record right to receive free gas, then upon approval of Lessor's written request for free gas, Lessor obtaining 100% written consent from all owners with a right to receive revenue from the leased premises, and Lessor's execution of Sublessee's Delivery of Free Gas and Overburn Gas Agreement, one (1) Lessor may lay a line to any one (1) producing gas well on the leased premises and take up to one hundred fifty thousand (150,000) cubic feet of gas during any single twelve (12) month period for domestic use in one currently existing primary dwelling owned at all times by Lessor and located within a one thousand (1,000') foot radius from said well on the leased premises; subject, however to such well being capable of producing in commercial quantities and of commercial quality suitable for domestic use; the existence and availability of a local distribution company willing to administer, control, monitor, and service such free gas usage to the specifications and requirements of Sublessee; and subject further to the use, maintenance, operation, production, limited deliverability, and right of shut in and/or plugging and abandonment by Sublessee of its well(s), equipment and pipelines on the leased premises. Lessor shall secure such gas by service line laid to and connected to such well on said leased premises in accordance with all applicable laws, rules and regulations, the point of connection to be designated by Sublessee and Lessor shall assume the entire risk and all expenses associated with securing and using such gas and agrees, to the fullest extent of applicable law, to release and indemnify Sublessee from and against any and all claims or causes of action arising therefrom or relating thereto. If Lessor in any year uses gas in excess of the quantity provided for herein, Lessor shall pay for all overburn gas at the current established retail rate in the area or at the rate charged by the local distribution company administering the free gas usage, but Sublessee assumes no obligation to furnish Lessor with gas in excess of the quantity provided herein. The measurement and regulation of such gas shall be by meter regulators furnished by Lessor, subject to Sublessee's approval, and set at the tap on the well. Notwithstanding the foregoing provisions, in the event the leased premises are made a part of a unit or pooled with other acreage and the well(s) has been drilled on another lease, the Lessor hereunder will not be entitled to use wellhead gas, free or otherwise. The rights granted herein related to free gas are not assignable or transferable to a party not currently owning an interest in the leasehold premises. Notwithstanding the foregoing, the specific terms and conditions of free gas use shall be governed and controlled by the Agreement for Delivery of Free Gas and Overburn Gas. Sublessee shall be fully relieved of any further obligation to provide free gas or alternative payment to Lessor if any of the conditions provided hereinabove are not satisfied. At the time application is made for free gas, Sublessee shall have the option to make an annual cash payment to the qualified applicant(s) of One Thousand and 00/100 Dollars (\$1,000.00) based on Lessor's proportionate share in lieu of providing free gas and said sum shall thereafter permanently discharge Sublessee's obligation under this lease to provide gas free of cost to Lessor, his successors, heirs and assigns.

2. Provided that Lessor is the current surface owner of the affected lands at the time of Lessee's surface operations, Lessee and Lessor to mutually agree on all drill site, pipeline and access road locations, consent not to be unreasonably withheld, delayed or conditioned by Lessor.

STATE OF WEST VIRGINIA, MARSHALL COUNTY, SCT.:

I, JAN PEST, Clerk of the County Commission of said County, do hereby certify that the annexed writing, bearing date on the 19th day of February 2008, was presented for and by me, admitted to record in my office upon the above certificate as to the parties therein named this 27th day of February 2009 at 10:25 o'clock A.M.

TESTE: Jan Pest Clerk.